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FEDERAL COMMUNICATIONS COMMISSION
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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of	)	
Application by Verizon Pennsylvania, Inc.	)	
for Authorization under Section 271 of the	)	CC Docket No. 01-138
Communications Act to Provide In-Region,	)	
InterLATA Services in Pennsylvania	)	

Comments of Communications Workers of America

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Summary

The Communications Workers of America (CWA) submits these comments to the Commission on Verizon's application for authority under Section 271 of the Communications Act to provide long distance services in Pennsylvania.

While CWA in general supports Bell Operating Company entry into long distance, the factual record demonstrates that Verizon-Pennsylvania has not yet met all of the market-opening requirements of Section 271 of the Communications Act, specifically the lack of a proven and accurate wholesale electronic billing process. The Commission should not approve Verizon-Pennsylvania's long distance application based upon promises of future compliance. Verizon does not have a good track record for accurate data reporting to regulators nor of compliance with agreements made with regulators and other parties, including the CWA. The Commission should reject Verizon-Pennsylvania's long distance application.

CWA represents more than 740,000 workers nationwide, including more than 12,500 Verizon employees in Pennsylvania. Because CWA represents employees in all segments of the telecommunications industry, CWA bases its position regarding an application by a Bell Operating Company (BOC) to provide long distance services on the factual evidence regarding

Section 271 compliance in that state as well as on the public interest merits of the application.

To date, CWA has submitted comments to the Commission in four Section 271 proceedings. In previous comments, CWA expressed general support for BOC entry into long distance. With the exception of the 1997 Ameritech application in Michigan, CWA comments in the other three proceedings provided the Commission with factual evidence obtained from CWA members who service their BOC employer's wholesale customers that SBC in Texas, SBC in Kansas/Oklahoma, and Verizon in New York were providing service to wholesale customers at parity with the service provided to retail customers, thus meeting Section 271 requirements for long distance entry.[1] In those three states, state regulators and this Commission concurred.

In this instant proceeding, CWA reiterates its overall support for BOC entry into long distance, but also urges the Commission to weigh carefully the factual evidence regarding Verizon's Section 271 compliance in Pennsylvania. The Pennsylvania Public Utility Commission's June 6, 2001 consultative report on Verizon's long distance application

1 *See* CWA Reply Comments, *In the Matter of Application by Ameritech Michigan Pursuant to Section 271 of the Telecommunications Act of 1966 to Provide In-Region, InterLATA Services in Michigan,* CC Docket No. 97-137, June 24, 1997; CWA Reply Comments, *In the Matter of Application by Bell Atlantic for Authorization under Section 271 of the Communications Act to Provide In-Region, InterLATA Services in the State of New York,* CC Docket No. 99-295, Nov. 8, 1999; CWA Comments, *In the Matter of Application by SBC Communications Inc. for Authorization under Section 271 of the Communications Act to Provide In-Region, InterLATA Service in the State of Texas,* CC Docket No. 00-04, Jan. 31, 2000 (as amended Feb. 4, 2000); CWA Comments, *In the Matter of Application by SBC Communications Inc., Southwestern Bell Telephone Company, Southwestern Bell Communications Services, Inc., d/b/a/ Southwestern Bell Long Distance for Authorization under Section 271 of the Communications Act to Provide In-Region, InterLATA Services in the States of Kansas and Oklahoma,* CC Docket No. 00-217, Nov. 15, 2000.

raises serious questions as to whether Verizon in Pennsylvania has met all the Section 271 requirements for long distance entry.[2]

In fact, after an exhaustive review, the Pennsylvania Commission concluded that Verizon-Pennsylvania had demonstrated compliance "in most respects" but that it was deficient in meeting checklist items 2 (network elements) and 14 (resale) because of deficiencies in its wholesale electronic billing system.[3] Compliance "in most respects" is not enough. Verizon-Pennsylvania has yet to provide competitive local exchange carriers (CLECs) with an electronic bill that is sufficiently reliable for Verizon to consider it the official bill of record As a result, CLECs must sort through and read hundreds of boxes of paper bills in order to check the accuracy of their bills.[4]

Verizon-Pennsylvania promised the Pennsylvania Commission that it would have an accurate and timely wholesale electronic billing system in place on or about June 16, 2001, just five days before Verizon filed its long distance application with this Commission.[5] Clearly, the electronic billing system is not tested and has not proven to be operational. As Pennsylvania Commissioner Terrance J. Fitzpatrick noted in his dissenting statement: "The

2 Pennsylvania Public Utility Commission, Consultative Report on Application of Verizon Pennsylvania, Inc. for FCC Authorization to Provide In-Region, InterLATA Service in Pennsylvania, Docket No. M-00001435, June 6, 2001 (Pennsylvania Letter).
3 Pennsylvania Letter, 1-3. Dissenting Commissioner Terrance J. Fitzpatrick also raised questions regarding Verizon-Pennsylvania's compliance with checklist items 4 (local loop transmission from the central office to customer premise) and 5 (local trunk transport). Dissenting Commissioner Nora Mead Brownell raised concerns regarding carrier-to-carrier data integrity, the change management process and local transport. *See* Statement of Commissioner Terrance J. Fitzpatrick and Statement of Nora Mead Brownell, Docket No. M-00001435, June 6, 2001.
4 Statement of Commissioner Terrance J. Fitzpatrick, Docket No. M-00001435, June 6, 2001, 2.
5 Pennsylvania Letter, 4.

fact remains that the e-billing system is unreliable."[6] As the other dissenting Pennsylvania Commissioner Nora Mead Brownell noted: "While I would like to believe that Verizon will fulfill all of its promises, given the circumstances I find it difficult to have confidence in a company which has apparently misled this Commission on the record."[7]

The Commission standard for long distance approval is present, not future, compliance with all points on the 14-point checklist.

> "[A] BOCs promises of *future* performance to address particular concerns raised by commenters have no probative value in demonstrating its *present* compliance with the requirements of Section 271. In order to gain in-region, interLATA entry, a BOC must supports its application with actual evidence demonstrating its present compliance with the statutory conditions for entry, instead of prospective evidence that is contingent on future behavior. Thus, we must be able to make a determination based on the evidence in the record that a BOC has actually demonstrated compliance with the requirements of Section 271.[8]

As we detail in these comments, Verizon does not have a good track record for accurate data reporting to regulators nor for compliance with negotiated agreements. Therefore, CWA urges the Commission to reject Verizon's application to provide long distance services in Pennsylvania.

6 Fitzpatrick Statement, 2.
7 Dissenting Statement of Commissioner Nora Mead Brownell, Docket No. M-00001435, June 6, 2001, 3. Ms. Brownell is referring to Verizon-Pennsylvania's contradictory statements to federal and state regulators regarding separation of its advanced services affiliate, VADI.
8 *In the Matter of Application by Bell Atlantic New York for Authorization Under Section 271 of the Communications Act to Provide In-Region, InterLATA Service in the State of New York,* CC Docket No. 99-295, Memorandum Opinion and Order, FCC 99-404, Dec. 22, 1999 (rel.), 37; *In the Matter of Application by SBC Communications, Inc., Southwestern Bell Telephone Company, and Southwestern Bell Communications Services, Inc. d/b/a/ Southwestern Bell Long Distance Pursuant to Section 271 of the Telecommunications Act of 1996 to Provide In-Region, InterLATA Services in Texas,* CC Docket No. 00-65, Memorandum Opinion and Order, FCC 00-238, June 30, 2000 (rel.), 38.

I. The Commission Should Not Accept Verizon's Claim that the Performance Assurance Plan Will Ensure Verizon Compliance with Section 271 Obligations Today and in the Future

Verizon claims that the augmented potential liabilities for failure to meet billing performance measures imposed by the Pennsylvania PUC under the Performance Assurance Plan will ensure that Verizon will provide accurate and timely electronic bills to CLECs in the future.[9] Verizon also claims that these and other performance reporting obligations and measures under the self-executing Performance Assurance Plan established by the Pennsylvania PUC (including the promise to adopt measures in the New York Performance Assurance Plan that are not in the Pennsylvania Plan) will protect against backsliding by Verizon-Pennsylvania and "provide further incentives to provide the best wholesale performance possible."[10]

This argument fails for two reasons. First, Verizon in New York, which operates under a Performance Assurance Plan (PAP) that includes measures that the Pennsylvania PUC and Verizon have agreed will be adopted in Pennsylvania, has consistently failed to meet performance measures in that state. Second, CWA has documented a consistent pattern of inaccurate reporting by Verizon of service quality data in New York, a pattern that significantly underreports service problems.

9 Application by Verizon Pennsylvania for Authorization to Provide In-Region, InterLATA Services in Pennsylvania, *In the Matter of Application by Verizon Pennsylvania Inc., Verizon Long Distance, Verizon Enterprise Solutions, Verizon Global Networks, Inc., and Verizon Select Services Inc., for Authorization to Provide In-Region, InterLATA Services in Pennsylvania,* CC Docket No. 01-138, June 21, 2001, 84 (Verizon

A. Verizon Has Failed to Meet New York's Performance Assurance Plan Standards Every Month Since the Plan Took Effect in January 2000

Actual experience in New York under that state's Performance Assurance Plan (PAP) demonstrates that potential liabilities do not in fact incent Verizon to comply with wholesale performance measures. Since January 2000, Verizon has issued more than $63.1 million in bill credits--$47.8 million in 2000 and $15.3 million in the first five months of 2001--to CLECs for failure to meet PAP performance measures.[11] Verizon has issued bill credits every month in the 17-month reporting period, averaging $3.7 million monthly. Clearly, the self-executing PAP in New York has not protected against backsliding by Verizon nor has it served to ensure excellent service to wholesale customers in New York. There is no evidence to support the conclusion that performance reporting and the self-executing Performance Assurance Plan will be more effective in Pennsylvania, a state where Verizon has not yet demonstrated compliance with all checklist items.

B. Verizon Does Not Accurately Report Service Quality Data to State Regulators

Verizon's self-reported failure to meet performance standards under New York's PAP is even more disturbing considering that CWA has documented a consistent and persistent

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Application), 67, 89.
10 *Id*, 84-90.
11 CWA calculation based on Verizon's monthly PAP/CCAP Market Adjustment Summaries provided to the New York Public Service Commission; April and May 2001 figures are preliminary, calculation does not include $2.5 million 4th quarter 1999 credit paid in Jan. 1999 nor minor adjustments ordered by the NY PSC for several months in fall 2000.

pattern of Verizon management practices that result in under-reporting of service quality problems to the New York PSC.[12] (See Appendix A for a full copy of the CWA Report on Service Quality & Service Quality Reporting at Verizon-NY.)

CWA collected data on service quality reporting at Verizon-NY as part of a $1 million grant provided by the New York PSC to CWA as part of the Performance Regulation Plan for New York Telephone.[13] As part of this program, CWA was directed by the PSC to "examine and assess the delivery of service by the Company...and educate...employees regarding the importance of following proper procedures necessary for consistently accurate service quality data reporting." As part of the program, CWA educated more than 2,000 members about the New York PSC service quality standards, surveyed over 2,000 responding members on Verizon's service quality reporting methods, and received more than 2,000 reports to a toll-free Hotline on Verizon's service quality reporting practices.

Based on the evidence collected from surveys, hotline reports, and case studies, CWA concludes that Verizon-NY management practices result in consistent misreporting of data that allows Verizon-NY to reduce its exposure to penalties and sanctions. Specifically, the report documents the following:

- **Direct Falsification of Company Service Quality Data by Management.** Over 30% of those surveyed have directly seen Verizon management change the status of trouble reports.

12 CWA District One, "Service Quality and Service Quality Reporting at Verizon-NY: A Report to the NY Public Service Commission by CWA's Education, Training, and Monitoring Program as Mandated by the Performance Regulation Plan for New York Telephone," Nov. 1, 2000.
13 New York Public Service Commission, Performance Regulation Plan for New York Telephone Company, Section IIIK(6), Case 92-0665, Sept. 26, 1994.

- **Management Directing Workers to Close Out Troubles Before They Are Completed.** Over 60% of those surveyed were directed by Verizon management to code a trouble as completed before it was actually cleared.

- **Managers Directing Workers to Backtime.** Over 54% of those surveyed were asked by Verizon management to alter records identifying the date and time a trouble was completed.

- **Management Directing Worker to Inappropriately Code Troubles to Customer Premise Equipment.** 40% of Maintenance/Dispatch Center workers surveyed were directed by Verizon management to code troubles to CPE without customer request or notification.

- **Passing Installations Before Completion.** 91% of field technicians surveyed reported that they were dispatched on repairs of recent installations only to find that dial tone had never been provided.

- **Inaccurate Computer Tests.** 15% of surveyed Central Office Technicians were able to identify troubles that the computer reports as Test Oks but which, in fact, were not adequately cleared.

- **Bypassing the Reporting System.** 29% of Field Technicians surveyed were directed by Verizon management not to give the regular repair number to customers to bypass the reporting system on subsequent trouble reports.[14]

Verizon claims that potential liabilities under the PAP will ensure that Verizon fulfills its promise to the Pennsylvania PUC for timely and accurate wholesale electronic billing and that Verizon will provide excellent service to competitors after long distance entry. But Verizon's record in New York demonstrates that false data reporting, coupled with a willingness to pay penalties, have not served to ensure Verizon-New York's compliance with its obligations. There is no reason to believe that Verizon will act differently in Pennsylvania.

14 *Id.*, i-iii. 3-16.

II. Verizon's Flagrant Violation of Negotiated Collective Bargaining Contracts Provides Further Evidence that Verizon's Promises Should Not be Trusted

Over the past 10 months, Verizon has engaged in consistent and flagrant violation of the collective bargaining contracts negotiated with CWA. We raise this issue in the context of this proceeding not because we seek Commission resolution of a labor-management dispute—which we most certainly do not—but rather to provide the Commission with evidence to demonstrate that Verizon does not bargain in good faith nor can Verizon be trusted to comply with negotiated agreements and contracts.

On August 20, 2000, CWA and Verizon signed a contractual Memorandum of Agreement Regarding Neutrality and Card Check Recognition and a contractual Memorandum of Agreement Regarding Neutrality and Card Check Recognition for Verizon Wireless.[15] Under terms of these contracts, Verizon agreed, among other provisions, that it would remain neutral during any union organizing among non-represented Verizon employees in the former Bell Atlantic region (the 13 northeastern states and the District of Columbia)[16] and that it would accept "card check recognition" as a means for its non-represented

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15 Memorandum of Agreement Regarding Neutrality and Card Check Recognition for Verizon Wireless, Aug. 20, 2000 (Neutrality/Card Check Agreement); Memorandum of Agreement Regarding Neutrality and Card Check Recognition for Verizon Wireless, Aug. 20, 2000 (Wireless Neutrality/ Card Check Agreement). Another Memorandum of Agreement Regarding Neutrality and Card Check Recognition covering Verizon South Directory Services was signed August 23, 2000.

16 In the agreement, neutrality is defined as follows: "[M]anagement shall not, within the course and scope of their employment by the Companies, express any opinion for or against Union representation of any existing or proposed bargaining unit, or for or against the Union or any officer, member or representative thereof in their capacity as such. Furthermore, management shall not make any statements or representations as to the potential effects or results of Union representation on the Companies or any employee or group of employees. *See* Neutrality/ Card Check Agreement, Section 4(b).

employees in the former Bell Atlantic region to gain union representation.[17] Under the "card check recognition" process, Verizon agreed to recognize the Union as the exclusive bargaining agent for any agreed-upon or otherwise determined group of employees upon certification by the American Arbitration Association that the Union has presented valid authorization cards signed by the majority of employees in the unit.[18] Under terms of the Verizon Wireless Neutrality/Card Check Agreement, CWA and Verizon agreed, among other provisions, that wireless bargaining units would "generally be MSA wide" (e.g. covering wireless workers in a single metropolitan area) and that previously negotiated contractual agreements concerning organizing procedures at Verizon Wireless services areas outside the former Bell Atlantic footprint (e.g. former GTE wireless and former Ameritech service areas) would remain applicable.[19]

Verizon has violated these contractual agreements in numerous ways. We focus on violations at two separate subsidiaries: Verizon Information Services and Verizon Wireless.

<u>Verizon Information Services.</u> Verizon Information Services is Verizon's yellow page subsidiary. Non-represented employees of Verizon Information Services in New York approached CWA soon after the ink was dry on the neutrality/card check contractual agreements seeking assistance in gaining union representation. In February 2001, under terms of the neutrality/card check contractual agreement, CWA presented to the American

17 *Id*, Section 3.
18 *Id.* Section 3(d).

Arbitration Association (AAA) signed union authorization cards covering about 500 workers in seven New York locations. Verizon refused to recognize the bargaining units. Instead, in clear violation of the neutrality/card check agreement as well as the National Labor Relations Act, Verizon began to solicit workers to rescind their union authorization cards and to submit their requests for rescission to a Verizon Information Services manager. Verizon Information Services managers' solicitations to employees to rescind their union authorization cards occurred at meetings during which Verizon Information Services managers advised employees that they would lose desirable benefits if the union gained recognition at Verizon Information Services. On April 4, 2001 the American Arbitration Association, under terms of the neutrality/card check agreement, certified CWA as the exclusive collective bargaining agent for the workers in the seven New York Verizon Information Systems locations. On April 16, 2001, Verizon filed a federal lawsuit to block the certification; the lawsuit is still pending.

In late March 2001, CWA filed with the National Labor Relations Board for a unit of 300 Verizon Information Services workers in New Jersey. On April 25, 2001 Verizon went to federal court to block processing the representation petition.

Since Verizon Information Services workers began their union organization effort in the fall of 2000, Verizon Information Services has engaged in a concerted campaign to interfere with these workers' rights to organization in violation of the CWA/Verizon negotiated card check/neutrality agreement and the National Labor Relations Act. CWA

19 Wireless Neutrality/Card Check Agreement, Sections 2c, 2(d), and 3(b).

filed a charge with the National Labor Relations Board with 23 allegations of labor law violations by Verizon Information Services, including discipline and firing of union supporters, surveillance of union supporters, discrimination against union supporters in assigning accounts, requiring union supporters to cancel lucrative accounts, unilaterally changing the terms and conditions of employment, refusing to bargain with the Union, refusing Union access to represented employees, and soliciting employees to rescind valid union authorization cards.[20] The charge is still pending.

Verizon Wireless

The Memorandum of Agreement Regarding Neutrality and Card Check Recognition at Verizon Wireless, as noted earlier, includes a provision that wireless bargaining units in the former Bell Atlantic footprint would generally be "MSA-wide," meaning they would cover one metropolitan area, and that previously negotiated contractual agreements concerning organizing procedures at Verizon Wireless services areas outside the former Bell Atlantic footprint (e.g. former GTE wireless and former Ameritech service areas) would remain applicable.[21]

Verizon refused to recognize metropolitan area bargaining units and instead insists that the appropriate bargaining unit for customer service workers should be one unit throughout the former Bell Atlantic footprint (comprising 13 northeastern states plus the District of Columbia). CWA and Verizon have been in arbitration over the disputed bargaining unit

20 CWA Fourth Amended Charge against Employer Verizon d/b/a Verizon Information Services, Case 2-CA-33650-1, June 27. 2001.

since January 2001. At that time, Verizon in clear violation of the neutrality provisions of the neutrality/card check agreement launched a 30-page anti-union web site in which, among other items, it falsified information about CWA-represented employees' compensation.

In March 2001, Verizon informed CWA that Verizon no longer recognized the separate neutrality/card check agreements covering former GTE and former Ameritech service areas that were now part of Verizon. This was in clear violation of the contractual Memorandum of Agreement Regarding Neutrality and Card Check Recognition in Verizon Wireless.[22]

In summary, Verizon over the past 10 months has engaged in persistent violation of its contractual obligations agreed to in negotiations with CWA. Such flagrant violations of collective bargaining contracts should serve as a warning to the Commission as it considers whether Verizon will follow through on commitments it has made to regulators in the context of this Section 271 proceeding. It is CWA's experience that Verizon cannot be trusted to comply with its contractual obligations.

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21 Wireless Neutrality/Card Check Agreement, Sections 2c, 2(d), and 3(b).
22 The language reads
c) The CWA-Ameritech Neutrality and Card Check Agreement with CWA shall apply in former Ameritech wireless service areas contributed to Verizon Wireless; and d) The CWA-GTE Neutrality and Consent Election Agreement with CWA shall apply to former GTE service areas contributed to Verizon Wireless. CWA/Verizon Card Check/Neutrality Wireless Agreement.

III. Summary

The Commission should deny Verizon's request for authorization to provide long distance services in Pennsylvania. Verizon has not yet met all the market-opening requirements in the 14-point checklist due to deficiencies in its electronic billing system. The Commission should view with a great deal of skepticism Verizon's promise to correct the problem. Verizon's performance under the self-executing Performance Assurance Plan in New York has been poor, resulting in more than $63.1 million in bill credits over the past 17-months. Rather than correct problems, Verizon has shown in New York that it is willing to pay penalties while encouraging its frontline workforce to misreport performance data to hide more significant service problems. Finally, Verizon's record of flagrantly violating negotiated neutrality card check contractual agreements raise further concerns regarding Verizon's credibility. The Commission should not approve Verizon's application to provide long distance service in Pennsylvania.

Respectfully Submitted,

Communications Workers of America
George Kohl
Assistant to the President/Director of Research

Dated: July 11, 2001

CERTIFICATE OF SERVICE

This is to certify that I have duly served these comments upon these parties by depositing copies of same in the United States mail, addressed as follows:

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Appendix A

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SERVICE QUALITY & SERVICE QUALITY REPORTING AT VERIZON-NY

A Report to the NY Public Service Commission by CWA's Education, Training And Monitoring Program as Mandated by the Performance Regulation Plan for New York Telephone

November 1, 2000
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EXECUTIVE SUMMARY

CWA was directed by the Public Service Commission to institute a service quality program as part of the Performance Regulation Plan for New York Telephone. As part of this program CWA was to "examine and assess the delivery of service by the Company...and shall educate...employees regarding the importance of following proper procedures necessary for consistently accurate service quality data reporting."

CWA implemented this mandate by conducting workshops, distributing surveys, creating a Hotline and investigating cases of inaccurate service quality data reporting. Over 2,000 members attended workshops, over 2,000 surveys were returned and 2,000 Hotline reports were received.

Based on the data gathered through surveys, interviews and Hotline reports, CWA has identified – and documented -- a number of management practices that result in the reporting of inconsistent and inaccurate data to the Department of Public Service.

CWA believes that the existence of widespread, inaccurate service quality data calls into question all service quality reports previously submitted by the Company to the PSC. Consequently, CWA recommends the following actions:

- extension of the CWA service quality program for the remainder of the PRP in order to continue to monitor Company performance and educate and train members;
- a remedial program – developed with the participation of CWA - to insure that proper procedures are followed to guarantee the future validity of service quality data;
- a comprehensive reevaluation of New York Tel's performance in relation to service quality targets; and
- the recalculation of the penalties levied against the Company as part of the PRP.

The CWA study identified three broad areas of service quality abuses by New York Tel management.

INACCURATE REPORTING OF SERVICE QUALITY DATA TO THE PSC

The CWA Service Quality Program has identified a number of management practices that result in the inaccurate reporting of service quality data to the PSC. Specifically, survey results, Hotline reports and case studies verify inaccurate reporting of data for Customer Trouble Reports, Out of Service over 24 hours, Missed Repair and Installation Appointments, Installations within 5 days, and Answer Time Performance. The misreporting of this data allows the Company to artificially improve its service quality performance and reduce its exposure to PRP penalties and PSC sanctions.

- **The Direct Falsification Of Company Service Quality Data By Management.** Over 30% of those surveyed have directly seen management change the status of trouble reports. Representative examples from Hotline reports document these practices.

- **Management Directing Workers To Close Out Troubles Before They Are Really Completed.** Over 60% of those surveyed have been directed by management to code a trouble as completed before it is really cleared of the trouble. Representative examples from Hotline reports document these practices.

- **Management Directing Workers To Backtime.** Over 54% of those surveyed have been asked by management to backtime; that is, alter records identifying the date and time a trouble was completed. Representative examples from Hotline reports document these practices.

- **Management Directing Workers To Change Commitments Without A Customer Request To Do So.** 68% of Maintenance/dispatch Center workers surveyed were directed to change commitments without customer notification. Representative examples from Hotline reports document these practices.

- **Management Directing Workers To Inappropriately Code Troubles To CPE.** 40% of Maintenance/Dispatch Center workers surveyed were directed to code troubles to CPE without customer request or notification. One hundred and seventy eight Hotline reports concerned the coding of a trouble as CPE even though the line test showed an obvious plant trouble. Representative examples from Hotline reports document these practices.

- **Passing Installations Before Completion.** 91% of field technicians surveyed reported that they were dispatched on repairs of recent installations only to find that dial tone had never been provided. Representative examples from Hotline reports document these practices.

- **Inaccurate Computer Tests.** 15% of surveyed Central Office Technicians were able to identify troubles that the computer reported as Test OKs but which, in fact, were not adequately cleared. Representative examples from Hotline reports document these practices.

- **Bypassing the PSC Reporting System.** 29% of Field Technicians surveyed were directed by management not to give the regular repair number but other numbers to customers such as the manager's number. Consequently, any subsequent trouble reports would not be included in data reported to the PSC. Representative examples from Hotline reports document these practices.

- **Adjusting Answer Time Performance.** An astounding 100% of surveyed operators and 93% of representatives receive customer complaints about the Automated Answering System. These systems actually lengthen the time a customer spends waiting on the phone.

POSSIBLE CONSUMER FRAUD - CPE AND INSIDE WIRE MAINTENANCE PLANS

Inside wire maintenance plans insure that the Company – not the customers - will be responsible for checking and fixing any inside wire or CPE problems in a timely manner. However, customers with inside wire maintenance plans are not receiving the services for which they are paying. For example

- customers with plans are directed to check their own CPE rather than dispatching a technician – even after repeated calls;
- customers with plans are directed to check their CPE even when line tests reveal that there is a high probability that the trouble is located on the Company's system.

MANAGEMENT POLICIES WHICH HINDER THE ABILITY OF WORKERS TO DELIVER QUALITY SERVICES

Many of the Company's efforts to cut costs and boost productivity have interfered with the ability of workers to provide quality services.

- **Deteriorating Plant Equipment**. Due to a lack of investment in plant and equipment, workers do not have the plant or material needed to complete their jobs adequately and timely. Instead, the Company directs workers to fix problems with such "band aid" approaches as AMLs.

- **Productivity Programs Hurt Customer Service.** The Company's continuous push for more productivity produces company rules and regulations that not only put undue pressure on the worker but, in most cases, prevents the worker from spending the time needed to give customers the quality service they deserve and for which they have paid. For example, discipline related to performance, adherence, monitoring, poor training and technological changes in both customer services and operator services adds more stress and does little to serve the customer.

- **Pressures on MAs and CSAs Adversely Affect Service Quality**. Backtiming, Lack of Training and Customer Call Outs also prevent workers from delivering quality services. For example, Customer Call Outs allow the Company the opportunity to close jobs that are still in trouble.

- **Lack of Experienced Managers**. New York Tel eliminated thousands of experienced managers and lowered the benefits of those remaining. Consequently, few skilled workers apply for management positions. The new managers have few if any technical skills and, therefore, are unable to properly respond to technical problems, coordinate the work force or train new workers.

INTRODUCTION

Since the first year of the Performance Regulation Plan (PRP) the New York Telephone Company has apparently improved the level of service quality delivered to customers as measured by reports submitted to the New York Public Service Commission. Based on these reports, staff of the Department of Public Service have publicly expressed their general satisfaction with the progress the Company has exhibited in meeting the service quality targets specified in the PRP for New York Telephone and improving service throughout the state.

> On an overall basis, after the third year of the Performance Regulation Plan, we are satisfied with the Company's overall service quality performance...Over the past two years, the Company has improved service quality and focused on meeting the targets of the 7-year incentive plan. (State of New York, Department of Public Service, "New York Telephone Company Third Plan Year Service Quality Report" issued November 6, 1998)

Reflecting this reported improvement, New York Telephone's PRP penalties have dropped from $72 million in Plan Year One to a range of $3 to $5 million in the following plan years.

However, this improvement in service performance is more apparent than real because it rests on a foundation of inaccurate and inconsistent service quality data reporting by New York Telephone. This conclusion is based on an analysis of a widely distributed survey of the New York Telephone workforce, Hotline reports and investigations of specific cases of service quality misreporting. This analysis by CWA is part of a service quality program mandated by the PSC as written in the Performance Regulation Plan for New York Telephone.

The presence of inconsistent and inaccurate service quality data allowed New York Tel to artificially improve the Company's service quality performance and, thus, minimize its exposure to the multi-million dollar penalties built into the PRP.

The following report briefly describes the PSC mandate for the service quality program and then examines three broad areas of management service quality abuse.

Inaccurate Reporting of Service Quality Data to the PSC. New York Tel management has engaged in a series of schemes which have resulted in the inaccurate reporting of performance data for Customer Trouble Reports, Out of Service Over 24 hours, Missed Repair Appointments, Missed Installation Appointments, Installations within 5 days, and Answer Time Performance.

Possible Consumer Fraud With Inside Wire Maintenance Plans. Customers with inside wire maintenance plans are not receiving the services for which they are paying.

Management Policies Which Hinder The Ability of Workers To Deliver Quality Services To Customers. A number of New York Telephone policies prevent workers from delivering the level of quality service that customers should obtain.

The final section contains specific recommendations to improve the accuracy of service quality reporting.

CWA's PSC MANDATED SERVICE QUALITY PROGRAM

Several years ago the New York Telephone Company successfully petitioned the New York Public Service Commission to deregulate its profits. Previously, both prices and a fair rate of return were set through a public hearing process between the PSC, the Telephone Company, and other interested parties including the CWA. Now the prices are set through a Performance Regulation Plan. The Company is now free to make as much profit as it can by increasing productivity, reengineering and other cost cutting techniques.

To help protect customers and workers from the negative impacts of cost cutting, the CWA and other parties successfully argued that the PSC also include a tough set of service quality targets and penalties in the Performance Regulation Plan.

As part of the PRP (Section K) the CWA received $1 million for an independent multiyear membership education program.

> The purpose of the...Program is to assist the Public Service Commission and New York Telephone in its efforts to improve customer service and service quality, to provide consistent and accurate service quality data reports, to meet the service quality targets provided by the Plan and to carry out the LifeLine, privacy and marketing programs provided by the Plan.

The PSC mandated that the program include various activities including

> Program staff shall...examine and assess the delivery of service by the Company....[and] shall educate...employees regarding the importance of following proper procedures necessary for consistently accurate service quality data reporting.

CWA implemented this program at three different levels.

Workshops. Two separate series of workshops were developed by a group of CWA members and staff representing the major crafts in the Company in consultation with Les Leopold of the Labor Institute. The small group activity method was utilized to stimulate worker participation in discussions. A three-day train the trainer session was conducted for 21 stewards from a number of our locals. More than 2,000 stewards and other members participated in a number of workshops held across the state in 1998, 1999 and 2000.

The Survey. A detailed survey was developed to allow us to obtain a statewide picture of Company service quality and data reporting practices. More than 2,000 surveys were returned and analyzed.

The CWA Hotline. CWA established a Hotline as mandated by the PRP. Over 2,000 Hotline reports have been received to date from workers reporting service quality data inaccuracies and inconsistencies. Investigations were conducted into a number of the reported instances of service quality data abuse.

THE INACCURATE REPORTING OF SERVICE QUALITY DATA

CWA conducted surveys and investigations in order to "examine and assess the delivery of service by the Company" and the provision of "consistently accurate service quality data" (PRP, Section K). A 38-question survey was developed and distributed throughout the state to field technicians, central office technicians, workers in dispatch and maintenance centers, service representatives and operators. The questions focused on service quality reporting abuses by the Company. Each question identified a potential service quality abuse, asked if the respondent had direct knowledge of such abuse and the frequency of the abuse. More than 2,000 surveys were filled out, returned and analyzed.

Examples of specific abuses were collected through the Service Quality Hotline and interviews with workers. Investigations were conducted into a number of specific cases.

An analysis of the information gathered from the surveys, Hotline calls, interviews and investigations has resulted in the identification and documentation of broad patterns of inaccurate reporting by the Company in a number of areas.

The Direct Falsification of Company Service Quality Data By Management

When customers call to report a problem the customer service attendant (CSA) enters a description of the problem into the computer system. As part of this process, the CSAs own pre-assigned Employee Code number is also entered. At each step in the life of this trouble, workers enter their Employee Codes to identify their actions.

However, management is able to enter the system at any point in time and override an individual employee's code and report. This can be done by entering the manager's own code, a generic management code, another worker's code or a fictitious code. Such manipulation of data can enable managers to "improve" their clearance time for trouble reports or missed commitments.

We have found that, in some cases, managers have directly falsified trouble reports. This conclusion is based on survey results, Hotline reports, and direct investigation.

Survey Results. Field technicians, central office technicians and Maintenance/Dispatch Center workers were asked whether they had directly seen – as opposed to hearing about or suspecting -- management change the status of a job. The following chart states the results of the survey.

Have you ever seen a foreman or supervisor closing out or changing the status of a job?				
Title	Total Responses	No	Not Sure	Yes
Field Techs	1,047	67%	9%	24%
COTs	191	43%	10%	47%
Maintenance	122	39%	9%	52%

Overall, 30% of those surveyed have directly seen management change the status of a trouble report. And they have seen this happen with a high level of regularity. The apparent disparity in the YES column between field technicians and inside technicians can be attributed to the fact that field technicians work outside and thus have fewer opportunities to view managers at their computers.

Investigation and Hotline. The survey results have been corroborated with documentation supplied through the Hotline and investigations. The following cases were chosen as representative examples.

Example 1. A customer ordered an installation on 6/25/98. The Company has five business days to meet its installation commitment; in this case, July 2. The Company was not able to meet this commitment because of an engineering problem. A supervisor asked a service representative to falsely change the installation due date and code the reason as "customer other" rather then miss the commitment due to a lack of company facilities.

When the representative refused to falsify Company records an acting manager entered the computer system and changed the due date to 7/9/98 using the representative's EC code without her knowledge. In fact, the supervisor waited for the representative to go off duty before entering false information into the Company reporting records. The Company was able to meet the 5-day standard.

Example 2. On 2/12/98 a repair supervisor falsified Company records by changing the completion time on 26 jobs so the Company would not miss the PSC commitment time.

Most of these jobs were still testing a trouble on the line and none were dispatched unless the customer called back. At that time new trouble reports were issued.

Example 3. An IMC supervisor closed out thirteen troubles on 12/22/98 without dispatching the work. This was done so that the 24-hour commitment times established by the PSC would be met. Not one of the troubles was actually cleared. All 13 jobs reappeared as troubles at a later date.

Example 4. A manager told the technicians in his group that he needed to boost his production numbers. He directed the technicians to go to a cross box and black box (ID) telephone numbers and give them to the manager. The manager then falsely reported that these numbers had troubles. These troubles were then immediately closed out and their associated commitment times were met.

Example 5. COTs in a particular bureau dispatched technicians to service troubles on over 90 "No Premise Visit Installations." However, on 8/17/99 a bureau manager closed out the installation orders as completed even though the troubles still existed and were not yet cleared.

Example 6. On March 3, 2000 a job was closed out as a Test OK with an employee code of 383. Upon investigation, it was found that there is no employee with a 383-emloyee code in the downstate district in question.

Example 7. On or around April 13, 2000, Manhattan management, at the request of Nassau bureau management, closed out seventy customer complaints as "customer miss-dials" due to changes in the area code when in fact, the troubles were due to the Company's ANNC switching problems.

Example 8. On July 7, 2000 a supervisor tested and closed out a job with a narrative of "(supervisor spoke to sub TOK [test ok])." However, the trouble was not cleared. The customer called back the next day and insisted the trouble be dispatched. However, the job was not dispatched and cleared until July 15th.

Example 9. A technician returned a job "not complete" on Friday, July 9, 2000. The customer was told that the technician would be back on Monday to finish work. However, a supervisor closed out the job on Saturday, July 10th. The customer called back on Monday to complain that no technician ever showed up to finish job. The job was dispatched as a new trouble on July 13th.

Management Directing Workers To Close Out Troubles Before They Are Really Completed

When a customer's trouble is resolved, an entry is made in the reporting system identifying the date and time that the trouble was "cleared." The Company then compares this clearing time to the time the trouble was received to determine whether it met its repair appointment or repaired an out-of-service trouble within 24 hours.

However, in some cases the trouble is not repaired within 24 hours or a repair appointment is not made in time. In a number of these cases, management has directed workers to report that a trouble is closed before it is actually cleared. This allows the Company to submit data to the PSC that shows it has met its commitments even though this is not what really happened.

These management directives place workers in a very difficult position. If they do not follow management's directions they can be disciplined or, at least, earn the enmity of their supervisor. If they do follow management's directions they are placed in jeopardy for falsifying records. However, management still continues to direct workers to falsify records on a wide-ranging basis throughout New York and across job titles.

Survey Results A. Field technicians, central office technicians, Maintenance/Dispatch Center workers and service representatives were asked whether they had been directed by management to status a job as complete before it was really completed. The following chart states the results of the survey.

Does your foreman or supervisor ask you to status a job as complete before it's really complete?				
Title	Total Responses	No	Not Sure	Yes
Field Techs	1,034	37%	3%	60%
COTs	205	36%	2%	62%
Maintenance	74	58%	3%	39%
Representatives	107	32%	3%	65%

Overall, 60% of those surveyed have been directed by management to code a trouble as completed before it is really cleared. And this happens with a high level of regularity. Field Techs and COTs are asked to do this more frequently because most of the work of closing out jobs has gone to field technicians since the introduction of the Craft Access Terminal. Maintenance technicians have concentrated on checking the jobs in jeopardy (no access, held for cable, etc.) and dispatching work.

It is noteworthy that 65% of the Service Representatives who were surveyed have been asked to close out commitments or change follow-up dates without doing the work or speaking to the customer. The surveyed Representatives reported that these management directives occur very often.

Investigation and Hotline. The survey results have been corroborated with documentation supplied through the Hotline and investigations. The following cases were chosen as representative examples.

Example 1. On November 13, 1997, Central Office Technicians (COTs) were told by their supervisor to close out 67 jobs on a work status list (WSL) to meet the commitment times and go back to finish the job at a later time.

We have found that it is common management practice to direct frame personnel to do mass close-outs when the Company is close to missing their numbers for out-of-service over 24 hours. Thus, the Company appears to have made its PSC numbers even though the telephone troubles reported by customers have not been cleared.

Example 2. A job was due on 3/11/98. However, it appeared that the Company would miss its service quality commitment time. At this point, the Company's management directed the technician assigned to the job to close it out as complete to make the commitment. He was then told to issue a non-timing report to complete the job later. The technician's non-timing report was a "routine ticket" which is not regulated by the PSC.

Example 3. On 12/22/98 a technician was dispatched on a cable trouble. He was not able to fix the trouble and by proper procedure should have been allowed to issue a cable ticket so that a splicer would have been sent to clear the line. Instead, a supervisor directed the technician to close out the trouble even though it was not cleared. The technician was also directed to not write up the trouble but to verbally tell another supervisor so his group could clear the trouble on a pro-active ticket. Pro-active tickets are not reported to the PSC.

Example 4. On 2/9/99, a technician on desk duty was directed to retest and close out troubles without a dispatch – even if the jobs were still testing as service affecting troubles. When the technician refused the manager closed out the troubles.

Survey Results B. Management has also directed Central Office Technicians and Maintenance/dispatch workers to not only close out a trouble before it was cleared but to issue new trouble tickets on the same job.

Are you ever asked to close out troubles and create new trouble tickets on the same job?

Title	Total Responses	No	Not Sure	Yes
COTs	195	43%	6%	52%
Maintenance	166	50%	4%	46%

Overall, 49% of those surveyed have been directed by management to code a trouble as completed before it is really cleared of the trouble and to issue new trouble tickets. And they have seen this happen with a high level of regularity.

Investigation and Hotline. The survey results have been corroborated with documentation supplied through the Hotline and investigations. The following cases were chosen as representative examples.

Example 1. A manager told central office technicians to pre-test all the morning jobs then close them out so the commitment times would be meet. The manager then told the technicians to issue frame tickets on the reported troubles to clear them. The frame tickets do not have commitment times and are not covered under the PSC service quality standards.

Example 2. A repair job due on 3/11/98 for a New York City Department was going to be missed. The technician was directed by his supervisor to close the service order as a "found ok" and create a non-timing report to clear the trouble so the Company would make the commitment.

Example 3. On 2/1/99 and again on 2/2/99 an IMC supervisor directed technicians to close out installations before dial tone was established at the premises and finish the jobs as repairs.

Example 4. In June, 2000, employees reported that on many occasions IMC supervisors have instructed them to code many troubles in WAFA as pending when the Company was close to missing their out-of-service numbers for a month. These jobs would then be dispatched the next month. We have found that this practice happens quite regularly across the entire state. WAFA is a company computer system that is not watched by the PSC. By placing current jobs as pending dispatch in WAFA the Company is free to change the due date to a time when they will not be in jeopardy of missing their out of service percentage reported to the PSC.

Management Directing Workers To Backtime

One widespread scheme that management uses to alter records is to direct workers to record that a trouble was cleared at an earlier date and time than the actual resolution of the trouble. Management also directs workers to record that appointments were met even though the technicians were not dispatched until much later. This practice is known as "backtiming." Backtiming allows the Company to submit data to the PSC that shows it has met its commitments even though this is not what really happened.

Survey Results. Field technicians, central office technicians and Maintenance/Dispatch Center workers were asked whether they had been directed by management to backtime. The following chart states the results of the survey.

Does your foreman or supervisor ever ask you to backtime - that is, put a completion time just to make a commitment?				
Title	Total Responses	No	Not Sure	Yes
Field Techs	1,035	42%	3%	55%
COTs	196	47%	7%	46%
Maintenance	134	31%	9%	60%

Overall, 54% of those surveyed have been asked by management to backtime. And they have been asked to do this with a high level of regularity. Backtiming provides an especially illustrative example of the lengths to which management will go – violating the Company's Codes of Conduct and directing others to change data – just to improve their service quality performance results.

Investigation and Hotline. The survey results have been corroborated with documentation supplied through the Hotline and investigations. The following cases were chosen as representative examples.

Example 1. A job was dispatched to a technician in the morning with a 12:00 PM commitment time. The technician completed the job at 1:00 PM. When the technician tried to close out the job in his C.A.T. (craft access terminal) the job was gone. We found that the dispatch center closed the job at 11:59 AM to meet the commitment - before the job was completed and without the technician's knowledge.

Example 2. A manager directed a technician to back-time the job he was dispatched on to make the commitment time. On the advice of the supervisor the technician closed out the job at 1:00 PM even though he did not finish the job until 1:20 PM. The technician back-timed the job to avoid a problem with the manager.

Example 3. When the Company's central office was in jeopardy of missing commitment times the technicians were told to check the computer every two hours and back time jobs that were missed then create frame tickets to cover the work.

Example 4. On 12/21/98 a technician was closing out a trouble at 4:00 PM when a supervisor directed him to backtime the closeout to 2:45 PM so the 3:00 PM commitment would be met.

Example 5. On 1/12/99 a technician was closing out a job at 2:30 PM when he was directed by his supervisor to backtime the closeout to 12:45 PM to make the 1:00 PM commitment.

Example 6. On 5/3/99 a manager directed a technician to backtime a job from 4/21/99 to 4/20/99 to make the commitment. The technician refused but later found out that the job was backtimed anyway.

Example 7. In January 2000, a technician uncovered 30 jobs in which data had been falsified. The technician did not want to be part of falsifying data and notified his first level manager. The first level manager stated that if such falsification is happening "I don't want to be part of it either." The first level manager then took the data to the second level manager. The technician then found another 22 jobs with falsified data and gave all the data to company security. The next day the technician was transferred to another location.

Management Directing Workers To Change Commitments Without A Customer Request To Do So

Missed commitments are not charged against the Company if they result from customer action or inaction. For example, the Company does not record a missed repair or installation appointment if the customer requests a change in time or date. Moreover, the Company counts an appointment as "met" if the technician cannot gain access to equipment on the customer's property. However, a "miss" should be ascribed to the Company if there is a Company "fault" such as a lack of facilities or the technicians are late.

Management often inappropriately directs workers to ascribe changes in company service commitments to customer requests rather than Company Fault. In this way, the Company avoids missing commitments reported to the PSC.

Survey Results. Central office technicians and Maintenance/Dispatch Center workers were asked whether they had been directed by management to change a commitment to customer request rather than Company load or fault – without notifying the customer. The following chart states the results of the survey.

Are you ever asked to change service commitments without a customer request to do so?				
Title	Total Responses	No	Not Sure	Yes
COTs	98	58%	20%	21%
Maintenance	127	30%	2%	68%

A whopping 68% of the Maintenance/Dispatch Center workers surveyed were asked to change commitments without notifying the customer. And they have been asked to do this with a high level of regularity. Twenty-one percent of the COTs surveyed were also asked to miscode these commitments without notifying the customer - even though most COTs have little customer contact.

Investigation and Hotline. The survey results have been corroborated with documentation supplied through the Hotline and investigations. The following cases were chosen as representative example.

Example 1. Between 2/25/98 and 3/10/98 a supervisor in one of the Company's repair centers changed commitment dates on 17 jobs without the knowledge of the customer so that PSC commitment times would be met.

Example 2. On 1/9/99, a technician was unable to complete a job because he could not obtain access to the Company's feeder cable that was off the customer's premises. However, the supervisor directed the worker to close the trouble as a Customer No Access and reappoint the job for 1/11/99 without advising the customer.

Management Directs Workers To Inappropriately Code Troubles To CPE

When a customer reports a problem, the customer service attendant (CSA) enters a description of the trouble and attempts to test the customer's line. This test can determine whether a trouble exists and whether it appears to be caused by the Company's system or the customer's telephone equipment or inside wiring.

CSAs have been directed to tell all customers to check their CPE and call back later if the problem persists. The same routine is followed even if the computer line test reported that the trouble was located in the Company's system. Troubles can also be coded as CPE when a technician goes to the premises and finds out that this is the case. Troubles ascribed to CPE do not count against the Company's service quality performance.

Management has directed workers to improperly code troubles to CPE even when the trouble is located in the Company's system. This is done without customer request or notification. In this way, the Company improperly adjusts its actual service quality performance.

Survey Results. Field technicians and Maintenance/Dispatch Center workers were asked whether they had been directed by management to status a job to CPE without customer verification. The following chart states the results of the survey.

Are you ever asked to status a job as C.P.E. without customer verification?				
Title	Total Responses	No	Not Sure	Yes
Field Techs	1,044	71%	6%	23%
Maintenance	126	54%	6%	40%

Forty percent of the Maintenance/Dispatch Center workers surveyed were asked to code troubles to CPE without customer request or notification. Even though the 23% figure for field technicians appears low it actually represents a high percentage of the jobs with detected troubles because they have already been screened and tested twice.

In a related survey question, 21% of the Maintenance/Dispatch Center workers were directed by management to ignore the "tech advises" codes placed by field technicians in their reports (e.g., Company fault, shortage of facilities, etc.). In this way, the reports going to the PSC could be coded so those problems could be ascribed to customer, not Company actions.

Investigation and Hotline. The survey results have been corroborated with documentation supplied through the Hotline and investigations. The following cases were chosen as representative examples.

Example 1. Customer called in an out of service complaint on Friday 11/7/97. The line was testing a light short circuit. The subscriber was given a commitment date of 11/8, the Company called the customer on 11/8 to change the appointment to 11/9.

Customer advised the Company that he would not be available on 11/9 but it would be OK to send a Service Technician out on Monday 11/10. The Company agreed with that arrangement then closed out trouble on Sunday 11/9 to a CPE code and narrative (1201-230 trouble to CPE/cancel report.)

Customer then called the Company back on Friday 11/14 (still out of service) wanting to know why a technician didn't come out on Monday 11/10. The Company didn't give subscriber a reason, but re-appointed the job for Sunday 11/16.

On 11/16 a Service Tech. proved the trouble was caused by the Company's cable facilities and wrote a cable ticket.

Sub's service was restored on Wed. 11/19 twelve days after original trouble was called in.

Example 2. A customer reported a static trouble on 1/27/98 and again on 1/29/98. The job was closed out both times to a CPE code. The customer called back on 1/30/98 and insisted that a technician be dispatched. The technician was dispatched on 1/30/98 and had to give the job to construction to clear a cable pair.

Example 3. A customer reported a static trouble on 11/09/98. This trouble was closed out to 1247-698-000 – the code designating that the subscriber was to check the CPE and there was no dispatch. The customer called again on 11/23/98 still complaining about static. Once again the job was closed out to the same CPE code. The customer called a third time on 12/7/98 reporting the same problem. The job was finally dispatched on 12/8/98. The technician assigned to the job had to change an underground cable pair to provide the customer with clear service. The trouble was not fixed until a full month after the initial call.

Example 4. A customer called repair on 2/3/99 to report no dial tone. The customer told the Company that it was a medical emergency and needed the line repaired ASAP. The job was closed out without dispatch to a code of 1247-698-000 – sub to check CPE. When the customer called back on 2/4/99, the job was dispatched. The technician was not able to fix the problem. A splicer had to be called in to clear a short circuit in the cable.

Example 5. On March 25, 2000 a customer reported a trouble and complained about static on the line. The job was closed with the customer during the call and coded as 000-0000-000. The accompanying narrative stated "(remove from hold – susp [suspect] cpe)." It should be noted that this customer was paying for a service plan (ECM-IWM). The customer called back in on April 8th still complaining about static. The job was dispatched on April 10th and cleared at the aerial terminal - on the Company's side of the demarcation point.

Passing Installations Before Completion

The PSC objective is to have installations completed within five days. According to proper procedures, the installation order is taken, sent to the correct department, and the installation is completed either in the office or out in the field. Once this is done the installation is coded as complete. However, survey and hotline reports have uncovered many installation orders that were closed out before they were actually completed. Instead, the orders were recoded as repair troubles directly or after the customer called repair complaining of no dial tone. In this way, the five-day installation commitment was met.

Survey Results. Field technicians were asked whether they had been dispatched on repairs of recent installations only to find that dial tone had never been provided. The following chart states the results of the survey.

Are you dispatched on repairs of recent installation orders (added lines or non-premise visit jobs) that never worked?				
Title	Total Responses	No	Not Sure	Yes
Field Techs	1,049	7%	2	91%

A remarkable 91% of the field technicians surveyed answered yes to this question.

Investigation and Hotline. The survey results have been corroborated with documentation supplied through the Hotline and investigations. The following cases were chosen as representative examples.

Example 1. On 10/10/99, an installation order due for completion on 10/8/99 was held for cable due to the lack of company facilities. Yet, the Company coded this installation as completed. The Company then routed the job to repair. On 10/12 a technician was dispatched and advised by the customer that the dial tone had never been provided. The technician was unable to provide the service due to the initial lack of cable facilities and turned the job over to the Company's engineering department.

Example 2. On 10/2/99, an installation order was coded as complete even though there were no spare cable facilities. One week later the customer reported that she never had service. A repair technician was dispatched and cleared a cable pair to provide dial tone. In this way, the Company made its PSC installation objective, its out of service over 24-hour objective and its missed appointment objective.

Example 3. On March 31, 2000 an installation job was improperly coded as completed even though it was not dispatched and did not test OK. In other words, the customer did not have service. On April 1st, the job was sent to repair and closed out without a dispatch using a close out code of 1247-698-000 – sub to check equipment. The trouble was finally dispatched on April 8th. The technician had to place a cross connect to provide the customer with service.

Inaccurate Computer Tests

Service quality measurement is largely dependent upon the Company's computer systems. When the Company receives a trouble report, the customer service attendant tests the customer's line. The results from these tests determine if the line appears to be functioning; if the trouble is caused by inside wiring or CPE; or if it is caused by the Company's system.

However, the computerized testing system employed by the Company does not always provide accurate results. In some instances, lines that test OK are in fact not OK. These inaccurate test OKs enable the Company to incorrectly report its performance in meeting trouble-related service quality measures.

Survey Results. Central Office Technicians were asked whether troubles reappeared even after they had been tested OK by the Company's "Auto Task Computer."

Do troubles retested OK by the Auto Task Computer come back as newly reported troubles later?				
Title	Total Responses	No	Not Sure	Yes
COT	194	35%	51%	15%

15% of the surveyed COTs were able to identify troubles which tested OK but for which the troubles were not adequately cleared.

Investigation and Hotline. The survey results have been corroborated with documentation supplied through the Hotline and investigations. The following cases were chosen as representative examples.

Example 1. A field Technician was given a morning job by his supervisor. The trouble report was for a no dial tone and a Maintenance Service Charge was explained to the customer. It was also noted in the comments that the line was for bedridden seniors with medical emergency status. When tech tried to access the job in his C.A.T. the job was auto rejected by the system as a test ok. After further investigation by the tech, it was found that the line was still in trouble and he called the Repair Service Bureau to reissue the job. He got the job back as his second job for the day even though it was a medical emergency. The tech then got to the job at about 10:00 AM and had to reattach the outside wire at the block cable to provide the customer with service.

Example 2. This case involves a high volume business customer and shows that even when confronted with a problem by their employees the Company insists on using an inaccurate system to bypass the PSC reporting system.

A morning job was given to a field technician. When the technician went to receive the job in the CAT (craft access terminal) the job was auto-rejected by the system. The technician then followed up on the job and found it still in trouble. The technician also found that the system closed the job out as "sub to check CPE" even though no one had spoken to the customer. The technician insisted on being dispatched on the trouble. He worked on the block wire to clear a riser and provided the customer with service.

The union grieved the auto-reject because the Company was knowingly closing out work without it being completed and without the knowledge of the customer. The grievance is titled "not providing good customer service." The grievance was denied at first step. The Company stated that the "lines closed out by an access machine is part of everyday business" If technician had not followed up on this trouble a large business customer's service would not have been restored.

Example 3. On 1/30/99 a trouble was auto-rejected by the Company's IFAS system while still testing as a short circuit.

Example 4. On 2/01/99 a trouble was auto-rejected by the Company's IFAS system while still testing as an open out, i.e., a definite trouble.

Example 5. On 2/2/99 a trouble was auto-rejected by the Company's IFAS system while a technician was still on the job and had not cleared the trouble on which he was working.

Example 6. On 8/27/99 four jobs were auto-rejected by the Craft Access Testing System. A technician took it upon himself to conduct a retest and found that three of the jobs were still testing metallic (shorts, grounds, crossed batteries) troubles. The fourth job tested OK but the technician requested that the job be dispatched. He later found a defective jack at the customers premise.

Bypassing The PSC Reporting System

One of the easiest ways to improve the service quality performance reported to the PSC is to bypass the reporting system altogether.

Survey Results. Field Technicians were asked whether management directed them to give customers callback numbers other than the Company's regular repair service numbers.

Are you told to give customers a form with any callback number other than 890-6611 or 890-7711?				
Title	Total Responses	No	Not Sure	Yes
Field Techs	1,049	63%	8%	29%

Twenty-nine percent of the field technicians surveyed were asked to give other than regular repair numbers to customers. Most often, they were asked to leave their garage or beeper numbers. Calling these numbers, rather than the regular repair numbers, necessarily improves the Company's customer trouble report rate.

Investigation and Hotline. The survey results have been corroborated with documentation supplied through the Hotline and investigations. The following cases were chosen as representative examples.

Examples 1 & 2. In two cases a customer reported multiple lines out of service but reports were only issued on the customer's first line. The technician was directed to issue EO reports to clear the other lines. These EO reports do not count against the Company's performance for PSC service quality purposes.

Example 3. Participants at the CWA service quality workshops reported many instances when field technicians were told to leave their beeper number or the number of their garage with the customer so that any "subsequents" will not be recorded into the computer system and go to the PSC.

Example 4. The CWA Service Quality hotline has received reports that Supervisors were advising directory assistance operators to give the Company's Presidential hotline number to customers actually requesting the PSC number. This was only done for those customers wanting to file a complaint against the Company.

Example 5. On June 22 and 26, 2000 thirty-one troubles were taken out of LMOS and placed in WFC to hide the out of service reports. The only tickets that are supposed to be in WFC are designed circuits. All other ISDN reports are to be worked from LMOS. LMOS tickets are customer reported and PSC regulated. Since SARTS took over ISDN, they have closed, excluded or cancelled every LMOS ticket and put them in WFC - an unregulated database.

Adjusting Answer Time Performance

The PSC's rules and regulations establish service quality standards governing the speed with which certain types of customer calls are answered. There are standards for repair service, directory assistance and toll and assistance calls. Historically, all customers directly reached a representative or an operator. The amount of time that customers wait on the line is measured and included in the average speed of answer data reported to the

PSC. However, with the introduction of automated answering systems many customers who previously would have been put on hold now pass through the automated system.

According to our surveys and interviews, the automated system actually lengthens the time a customer must wait before reaching a representative or operator. Yet, none of the time customers spend waiting in the automated system is included in speed of answer data reported to the PSC.

Survey Results. Customer dissatisfaction with the Automated Answering System is illustrated by questions posed to operators and representatives.

Do Customers Sometimes Complain about the Automated Answering System?				
Title	Total Responses	No	Not Sure	Yes
Representatives	107	6%	1%	93%
Operators	164	0%	0%	100%

An astounding 100% of surveyed operators and 93% of surveyed representatives receive customer complaints about the Automated Answering System. And these complaints occur very often.

POSSIBLE CONSUMER FRAUD - CPE AND INSIDE WIRE MAINTENANCE PLANS

Inside wire maintenance plans insure that the Company – not the customers - will be responsible for checking and fixing any inside wire or CPE problems in a timely manner. Yet, CWA has received almost 200 reports indicating that customers with inside wire maintenance plans are not receiving the services for which they are paying. Many reports describe how the Company directs customers with plans to check their own CPE rather than dispatching a technician to fix the problem – even after repeated calls by the customer. Other reports indicate that the Company directs customers with plans to check their CPE even when line tests reveal that there is still a trouble on the line and that there is a high probability the trouble is located on the Company's system. These practices may be potentially fraudulent since the Company is denying subscribers the services for which they have paid.

Example 1. On 4/21/98, a customer called in a trouble for no dial tone. The line test revealed a short circuit. The trouble was coded "sub to check CPE." After checking CPE the customer called back the next day reporting the trouble still existed. The trouble was closed out again as "sub to check CPE." The customer made a third call reporting the trouble still existed. Yet again, the trouble was closed out as "sub to check CPE." The customer called a fourth time on 4/25/98 still reporting an out of service condition. The job was finally dispatched on 4/27/98 – six days after the initial call. The technician cleared a short circuit in the network terminating wire. This trouble was in the Company's network terminating wire – not the customer's inside wire.

In this example, the Company was able to exclude all the customer's troubles that were coded as "sub to check CPE." Only the call on 4/25 actually counted as a reportable trouble for PSC purposes. Adding insult to injury, this customer pays for a full maintenance plan.

Example 2. Customer reported trouble on 3/10/98 as no dial tone. Customer has a full wiring plan and the job was testing "open" which is a dispatchable trouble. The trouble report was closed out on the same day without a dispatch to a cleared code of 100-1247-698-000 with a narrative of "sub to check CPE" even though the customer was paying for a full wire plan.

The customer called back on 3/10/98 and insisted that a technician be sent because she was paying for ECM/IWM and was entitled to it. The job was then dispatched on 3/11/98.

The technician that was dispatched found that the dial tone was not leaving the frame. The job was then rewired in the central office to provide service.

Example 3. A customer called the Company numerous times on 1/18/99. This trouble was closed out to CPE without dispatch. The customer called again on 2/5/99 and the trouble was again coded to CPE – even though the customer was paying for an inside wire maintenance plan (PMP/IWM). When the technician was finally dispatched on 2/7/99, he cleared the problem in the riser cable that feeds the apartments in the building. The customer told the technician that she had been out of service for two weeks and no one from The Company told her to check the CPE. If the Company had directed her to check the CPE, she would have insisted that the job be dispatched.

Example 4. Customer called in a static trouble on 4/02/98. The trouble was then closed out to a cleared code of 300-1247-698-000 with a narrative of sub to check CPE without a dispatch. The customer then called back on 4/03/98 to report the trouble again.

The trouble was then dispatched out on 4/04/98 and a technician had to clear the static in the outside wire (drop) caused by two tree limbs that had fell on the drop.

Customer is paying for Inside Wire Maintenance Plan and the Company still didn't dispatch on the job the first time.

Example 5. On February 4, 1998 a customer called in a trouble for a broken jack. The customer had a wire maintenance plan covering 3 jacks. The Company closed out the job the same day without a dispatch to a cleared code of 100-0712-600-000 with a narrative of "reached answering machine left message – TEST OK." The Company did not call the customer again nor did it dispatch a technician to check the trouble.

The customer then called back on 2/16/98 for the same trouble but a technician was not dispatched until 2/20/98. The technician had to replace the defective jack to provide the customer with service.

The customer had a maintenance plan but had to wait 16 days for the Company to dispatch a technician.

Example 6. On 3/31/98, a customer called in a trouble for no dial tone. The line test revealed a short circuit. The trouble was coded "sub to check CPE." After checking CPE the customer called back reporting the trouble still existed. The trouble was closed out again as "sub to check CPE." On the customer's third call back on 3/31/98 she demanded that a tech be dispatched because she paid for the PMP/IWM (the full service maintenance plan). The tech was dispatched and cleared a short circuit in the customer's inside wire. No maintenance service charge was assessed.

Example 7. A customer reported "No Dialtone" on 9/8/99. The job was closed out to an inside wire code 1247-698 with a narrative of "Sub to Check CPE." No technician was dispatched. The customer called again on 9/10 and the same thing happened. The customer called a third time demanding that a technician be dispatched. When a technician was finally dispatched on 9/12 he had to replace a cross-connect at the Company's underground feeder terminal.

MANAGEMENT POLICIES WHICH HINDER THE ABILITY OF WORKERS TO DELIVER QUALITY SERVICES

In an effort to "assess the delivery of service by the Company" we conducted a series of interviews and workshops attended by 1,050 telephone workers from various crafts. We found that many of the Company's efforts to cut costs and boost productivity interfered with the ability of workers to provide quality services. The following list contains a few examples of the roadblocks the Company has placed in workers' efforts to provide quality services.

Deteriorating Plant Equipment Harms Customer Service

Due to the lack of investment in plant and equipment, there are not enough pairs available for new customer lines. Instead, the Company now uses AMLs that put two or more lines on one pair. This quick fix solution has consequences for the customer. For example, if a drive pair goes bad, two or more customers can go out of service instead of one. AMLs also cause poor quality dial tone. They also do not work on all C.P.E. equipment and some answering machines. In addition, AMLs reduce the speed for faxes and Internet usage. Because AMLs use 135 volts instead of 48 volts, over time, they may overheat the line causing future failures, as well as causing unsafe working conditions. MLT equipment is not capable of testing AML circuits. Notwithstanding all these problems, the use of AMLs is still widespread. For example, the West Bronx District installs approximately 500 AMLs every 3 months while Brooklyn has 11,000 AMLS.

Productivity Programs Hurt Customer Service

The continuous push for more productivity produces Company rules and regulations that not only put undue pressure on the worker but, in most cases, prevents the worker from spending the time needed to give customers the quality service they deserve and for which they have paid. We have found through our workshops that discipline related to performance, adherence, monitoring, poor training and technological changes in both customer services and operator services adds more stress and does little to serve the customer.

Discipline Related to Performance

For Reps the Company prescribed handle time for each call is 370 seconds. This includes a mandatory opening script of 20 seconds and a closing "Is there anything else I can help you with today?" If the customer responds with another request that conversation is included in the 370 seconds handle time.

Operators have to deal with a 21-second handle time besides the indignity of having a machine answer the call for them. It is very difficult to service most customer inquiries within the handle time without "hurrying" the customer.

The customer representatives and the operators are put in the position of rushing the customer off the line to meet the Company rules.

Adherence

The time a Rep must be ready to receive a call is strictly set. Only 30 minutes is allowed per tour to be out of adherence. Reps are considered out of adherence even if they are late for a break or lunch because they are on with a customer. Discipline can be taken when a Rep is 10% over adherence time. Many times there is paper work involved after a call so a Rep must go off line putting them out of adherence again. In reality, because of the way the clock is used to determine adherence, a Rep can have as little as 20 minutes a day to be out of adherence.

Monitoring

Monitoring of customer calls is used by the Company "to protect service quality." Customers, Reps and Operators do not know when a call is being monitored. For example, if Reps do make a mistake they are not usually told, and continue to make the same mistake. Secret monitoring also adds stress, which is passed onto the service given to the customer.

Poor Training

Many new product lines and price changes require formal training. Most training is given on a read and pass along technique. Also, outside contractors are used to push new products that the Rep has not been trained on and is therefore unable to explain the product to the customer. Operators get new Company information printed on their screen or written on an easel in the office. In most cases, there is no follow-up information and no guarantee the Operator saw the new information.

Technological Changes

Both Reps and Operators are pushed by new computers that only add more stress and do not serve the customer. The new DAB computers (411) actually take longer to get the information the customer is seeking.

Pressures Put On MAs And CSAs Adversely Affect Service Quality And The Data Reported To the PSC

There are many different job functions that fall under the title of MA or CSA. Many pressures are placed on these craft people every day because of their multi-faceted jobs. These pressures affect the way MAs and CSAs deal with both employees and customers. In some cases this affects the accuracy of Company PSC reports for "out of service" commitment times. The following list provides a few examples of the types of pressures that are being placed on these crafts every day:

Back-Timing

MAs and CSAs are being told by supervisors to back-time returns called into the RSB by Field Technicians to make the out of service commitment times. This practice places not only the MAs or CSA in jeopardy of disciplinary action for falsifying Company records but also places the Field Technician unknowingly in jeopardy for the same reason.

Lack Of Training

Many MAs and CSAs are not trained in every entity of their job responsibilities. In one interview done by CWA, a long term employee who has worked in a RSB for years, was moved to dispatch a year and a half ago. As of the time this interview took place the technician still was not trained in all the aspects of the dispatch entity.

Customer Call-Outs

MAs are pressured to call out customers on a daily basis. One reason for these calls is to get customers to cancel or re-appoint their service order before it is dispatched. In one RSB these technicians are referred to as the "Call-Out Crew," and must meet customer call out quotas on a daily basis. This practice allows managers to move the workload so they can meet their commitment times. This gives the Company the opportunity to close jobs that are still in trouble.

Deregulation and the Loss of Experienced Managers Negatively Impact Service Quality

Deregulation insured that the Company could boost profits from downsizing, reengineering and reorganizing. With this incentive it eliminated thousands of experienced managers and lowered the benefits for those remaining. It also increased the productivity pressures on those that remained. Here are some of the consequences:

Because of the lower benefits and increased productivity pressures, the position has become much less desirable to senior skilled workers. As a result, the positions are increasingly filled with people hired off the street with little or no technical experience or skill.

Because these new managers have few if any technical skills, they are unable to properly train the new temporary workers or respond adequately to workers' technical problems and concerns.

For example, a CWA review of the 9 managers at a work location found that five had less than two years experience. Of those 5, three had less than one year. These managers were responsible for 240 workers.

RECOMMENDATIONS

The presence of inconsistent and inaccurate service quality data allowed New York Tel to artificially improve the Company's service quality performance and, thus, minimize its exposure to the multi-million dollar penalties built into the PRP. CWA makes the following recommendations to fix these problems.

1) Extend the CWA service quality program for the remainder of the PRP.

It is not enough to merely monitor PSC service quality data because it has already been doctored. The CWA service quality program is needed so that data reporting is monitored at the source. There is no other avenue through which workers can participate without fear of retribution. The program also benefits consumers and the PSC because it educates and trains members in terms of the importance of service quality for the Company, consumers and the workers themselves.

2) Develop a remedial program – with the participation of CWA - to insure that over the long term, proper procedures are followed to guarantee the future validity of service quality data and the delivery of high quality service.

The surveys and hotline reports prove that the service quality reporting problems are widespread and represent a pattern of abuse across the state of New York. They are not isolated to one manager, bureau or geographic area. Such problems require long term solutions. CWA recommends that a remedial program be developed – with our full participation – to address these problems in a systematic and comprehensive manner.

3) **Conduct a comprehensive reevaluation of New York Tel's performance in relation to service quality targets and recalculate the penalties levied against the Company as part of the PRP.**

The existence of documented inaccurate service quality data calls into question all the service quality reports previously submitted by the Company to the PSC.